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ABSTRACT

Few studies have addressed the issue of cultural penetration of Latin American countries by multinational corporations (MNCs) and multinational advertising agencies (MAAs). Whether they are considered multinational or transnational, MAAs have expanded as a form of international communication in the global market, forming the backbone of MNCs. Together, they control a small number of firms producing goods and services that enjoy worldwide demand. Business proponents claim that internationalization of advertising does not necessarily have negative effects on culture because MAAs are merely appealing to cultural universals. However, others warn of the danger of cultural extinction. Through their dominance of advertising and broadcasting systems and their message of consumerism, individualism, elitism, and materialism, MNCs and MAAs have become powerful shapers of Latin American culture. Both assume cultural homogenization and impose a predetermined set of cultural patterns on any target audience. In response to this imperialistic cultural penetration, some Latin American governments have opted for the capitalist system and are themselves increasingly becoming competitors in the advertising industry. Many have begun to nationalize capital investment and to develop enterprises for foreign investment. Though many theories exist regarding cultural penetration through MAAs and MNCs, evidence is needed to confirm them. (Supplementary tables and a six-page list of references are included.) (JD)

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CULTURAL PENETRATION IN LATIN AMERICA THROUGH MULTINATIONAL ADVERTISING AGENCIES

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Cultural Penetration in Latin America through Multinational Advertising Agencies

Relations betwen multinational corporations, multinational advertising agencies and developing countries have been the subject of much debate and controversy. Concern increases when the issue of cultural penetration arises. Many speculations prevail on the possible cultural impact, yet little empirical evidence exists on said effects.

This paper will be divided into two main sections. The first section will focus on the development of multinational corporations (MNCs) and multinational advertising agencies (MAAs). The second part will explore the form and extent of cultural penetration in Latin America.

MNCs and MAAs

MNCs are very closely related in the complementary functions they perform. Any discussion of these huge conglomerates ought to be preceded by several definitions that have been used by different scholars.

Several definitions for MNCs abound. For instance, Lee (1979) uses Raymond Vernon's cefinition of a multinational corporation as "a cluster of corporations of different nationalities that are joined together by a parent company through bonds of common ownership, that respond to a common strategy, and that draw on a common pool of financial and human resources" (p. 48). Kumar and McLeod (1981)

succintly define a multinational firm as "an enterprise that owns production or service facilities in one or more countries other than the one in which it is based" (p. xv). However, the United Nations favors the term transnational over the term multinational, because they consider it more illustrative of the idea of a parent company based in one country with subsidiaries in several other countries (CED, 1981). The United Nations argue that "multinational denotes a company owned by several nationalities, whether or not it has affiliates in other countries....(and it also) implies coequality" (CED, 1981, p. 15). On the other hand, the United Nations prefer the term transnational, because it "more accurately reflects the quality of 'domination' inherent in the parent-subsidiary relationship" (CED, 1981, p. 15). Preference for the term transnational by the United Nations implies the dominant position of these corporations in the global market. In this paper, these two terms (transnational and multinational) will be used interchangeably, since the main purpose is to conceptualize MNCs and MAAs (a specialized type of MNC), as large enterprises extending beyond their national boundaries (Schiller, 1979) into foreign countries with the explicit intent of making profits and with the intentional or unintentional purpose of transforming host countries. Intentional would refer to MAAs overt promotion of products manufactured by MNCs with the goal of changing attitudes and behaviors in order to increase the consumption of their products. While an increased consumerism translates into revenues for MAAs and profits for MNCs, it also implies a transformation of preexisting consumption patterns. Moreover, it implies a spillover effect of cultural images transmitted through the

message. Further discussion of these cultural issues will be withheld until the next section of this paper.

Call it multinational or call it transnational, these international corporations have gained economic dominance in the international marketplace. Indicators of dominance is the concentration in a small number of firms of the production of goods and services that enjoy world-wide demand.

MNCs expanded after World War II as chain enterprises under the same management while performing similar operations in different countries. MNCs are not just an American phenomenon. Similar MNCs evolved in Italy, Canada, Sweden, Switzerland, Britain, and the Netherlands (Martyn, 1967). But even within Canada and Britain, for instance, "half of the major agencies are American" (Smith, 1980, p. 45).

Although not all MNCs and MAAs are American, most of the discussions that follow will focus on American MNCs and MAAs. The principal reason for the apparent skewness in these discussions is the fact that the U.S. has had most of the control on the foreign investment in Latin America (Weinstein, 1974). Besides, most Latin American countries adopted the U.S. broadcasting model, wherein most systems are privately owned, commercially operated, and supported by advertising revenues. Adoption of the U.S. broadcasting structure implied the transference of both hardware and software (Katz & Wedell, 1977; Nordenstreng & Varis, 1974). Most Latin American countries follow the programming pattern of the United States--the country from which they transferred the commercial, ad-supported broadcasting

system. Thus, Latin American countries provide their viewers with soaps, action/adventure series, situation comedies, movies, and other entertainment programming, with a steady diet of sex, romance and violence. Commercials, of course, are inserted before, during, and after the programs promoting the affluent values of a consumer society. However, McPhail (1981) explains this situation not as a transference but as an imposition. He argues that "the content and the commercial, entertainment, and advertising-oriented structure of U.S. television has been superimposed on Latin American broadcasting systems" (McPhail, 1981, p. 194). Through this one-way flow, the U.S. has maintained its cultural and economic hegemony in the international arena (Schiller, 1976).

MNCs are considered a principal factor in the dominance of the U.S. in mass communications systems of developing countries (Mattelart, 1979; Smith, 1980). Influence is a rather subjective and intuitive concept (Wesson, 1982), but it has three major ramifications: military, economic, and cultural. According to Wells (1972), Latin America is "the unofficial sphere of cultural, economic, and political influence for...the United States" (p. 7). From a theoretical perspective, the imperialistic expansion of the U.S. transferred not only their culture to the colonies, but established economic-dependency ties that have created neverending debts for the colonies (Cardoso, 1973). These economic-dependency ties have persisted after most Latin American countries obtained their independence. So MNCs must deal with sovereign regimes rather than with dependencies (Grant & Wellhofer, 1979). One must also note that the U.S. has had the greatest

influence in Latin America, because the U.S. has been the largest market and supplier to most Latin American countries. Thus, Latin Americans have been among the best customers of U.S. goods. When accusing MNCs and MAAs of shaping or transforming national cultures and values, it should be taken into consideration that in many instances, they go into countries in response to the invitation of the receiving countries' government. These invitations take the form of concessions, incentives for foreign investment, and tax exemptions. However, dependence on foreign investment and foreign trade ties the local economy to MNCs in their search for national development.

MAAs have expanded as a form of international communication in the global market. In general, MAAs promote internationally products produced by MNCs. MAAs are considered the backbone of MNCs, because they support the corporations' investments and economic activities in the host countries. MNCs together with MAA counterparts have created a global market and a "world customer" having similar tastes and consumption patterns and differentiated solely on the basis of their purchasing power (Barnet & Muller, 1974). Given this goal, it is crucial for MNCs to control communications output via advertising. Direct investment in Latin American communications systems take place via MNCs and MAAs subsidiaries or through firms where they have shares. According to Advertising Age, the total advertising expenditure for 1983 in several Latin American countries is presented in Table 1.

Table 1. Total Advertising Expenditure in Latin America, 1983

Country	Amount
Brazil	$ 2.1 billion
Chile	115 million
Colombia	337.8 million
Mexico	200 million
Peru	74 million
Venezuela	186 million

Source: Advertising Age, July 5, 1984, p.22.

When advertising agencies go abroad, they will seek advertising services similar to those that they are used to provide in the U.S. For example, in 1979 MNCs dominated many of the the most profitable sectors of Brazilian economy: 100% of automobile production, 94% of pharmaceuticals, and 91% of tobacco (Shankman, 1979). MAAs, with their persuasive advertising techniques, have made this control viable. In general, MAAs will try to sell the products without modifications. In some circumstances, they may be slightly modified in order to fit technical specifications or laws, or if too alien, they may be redesigned to fit better to local needs (Lee, 1967).

It used to be that foreign advertising agencies would develop advertising department within local advertising agencies in order to promote MNCs' products and services (Ryans & Baker, 1967; Weinstein, 1974). Yet in the late sixties, major advertisers began establishing branches or subsidiaries staffed by a large number of nationals who could provide the local flavor to foreign advertisements, and who could

also advise to prevent any violations to local laws, culture, or values. This, of course, presented a threat to local advertisers and, thus, increased the competition between local and foreign advertising agencies.

Although there is a fair amount of local advertising in Latin American countries, MAAs control the largest share of the revenues. Table 2 shows who was where in 1965. Table 3 shows that as of 1977, fifteen major advertising agencies operated in Brazil, Mexico, Venezuela, Argentina, Colombia, and Peru. According to Janus (1984), the top four MAAs in 1977 were J. Walter Thompson, Young & Rubicam, McCann-Erickson, Inc., and Leo Burnett Co. U.S. advertising influence in Latin America is described by Beltran (1978) as follows:

> U.S. advertising firms (mostly multinational corporations) and U.S. advertising agencies (especially McCann Erickson, Walter Thompson, and Young and Rubicam) dominate the Latin American advertising business through all media. (p. 80)

Table 2. U.S. Advertising Agencies in Latin America, 1965.

Country	Advertising Agencies (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Argentina	x	x	x	x						
Brazil	x	x		x						
Chile	x	x	x	x						
Colombia	x		x	x						
Costa Rica	x									
Ecuador	x									
El Salvador	x									
Guatemala	x									
Honduras	x									
Jamaica	x		x		x					
Mexico	x	x	x			x	x			
Nicaragua	x									
Panama	x			x						
Peru	x	x		x						
Puerto Rico	x	x		x	x			x	x	x
Uruguay	x	x								
Venezuela	x	x	x	x						x

(1) McCann Erickson
(2) J. Walter Thompson
(3) Kenyon & Eckhardt
(4) Grant
(5) Norman, Craig & Kummel
(6) D'Arcy
(7) Foote, Cone & Belding
(8) Lennen & Newell
(9) Erwin Wasey
(10) Young & Rubicam

Source: R. Tyler. "Agencies abroad: New horizons for U.S. advertising." In J. K. Ryans & J. C. Baker, World Marketing: A multinational approach. New York: John Wiley & Sons, 1967.

Table 3. International Distribution of Major Advertising Agencies in Latin American Countries, 1977

Agency	Brazil	Mexico	Venezuela	Argentina	Colombia	Peru
J. Walter Thompson	x	x	x	x		x
Young & Rubicam	x	x	x			
McCann Erickson, Inc.	x	x	x	x	x	x
Leo Burnett Co.	x	x	x	x	x	
Ogilvy & Mather Int'l	x	x	x	x		
BBDO International	x	x				
Ted Bates & Co.						
SSC&B Inc.	x	x		x		
D'Arcy-MacManus Masius		x				
Grey Advertising	x		x	x		
Foote, Cone & Belding		x				
Doyle Dane Bernback		x				
Benton & Bowles				x	x	x
Kenyon & Eckhardt	x		x	x		
Campbell-Ewald	x					

Source: N. Janus. "Transnational advertising: The Latin American case." In G. Gerbner & M. Siefert (Eds.), World communications. New York: Longman, 1984.

MNCs and MAAs takeover of local industries is a concern of many countries. However, it appears that local entrepreneurship is stimulated through "the upgrading of local products, the expansion of local markets, and subcontracting to local suppliers" (CED, 1981, p. 37). Local advertising agencies, thus, must compete with multinational ads following the criteria set up by these foreign agencies, since MAAs usually set the standards on how and what to advertise.

Therefore, to be economically successful, MAAs begin by creating a middle class to promote western styles. Since these agencies work hand-in-hand with MNCs that produce those products and services, the advertising agencies will try to create demands and to sell what MNCs already know how to produce. Even though MAAs learn from locals what products and services may fit better and how to make them fit better, these foreign agencies set up the promotional criteria on how and what to advertise. Local advertising, then, ends up competing with multinational ads.

MAAs advertise mainly in newspapers, radio, and television. Cinema and the film industry are considered precursors of the generation of American tastes (Smith, 1980). Most advertising has concentrated on broadcasting, thereby bypassing literacy barriers. In Latin America, broadcasting and advertising are linked to economic and political structures. However, commercial interests have generally prevailed over governmental attempts to control and intervene on national policies for broadcasting.

Cultural Penetration

Speculations on cultural penetration and influence abound, because this phenomenon is very diffuse and difficult to estimate. Nevertheless, concern has been increasing among scholars. Newfarmer and Mueller (1975) state that "MNCs help shape consumer preferences through advertising policies" (p. 2). This statement pinpoints the main thrust of the debate revolving around the extent of cultural penetration in Latin America. More specifically, they argue that MNCs are shapers of aspirations and ideology. The concern of Fejes (1980) and of Salinas and Palcan (1979) is on the cultural impact and consequences of MAAs in Latin America. Fejes (1980) summarizes the influence of MAAs as follows:

> Their level of sophistication, their dominance of national and regional advertising associations, their message of consumerism, and their influence in the broadcasting systems make the giant ad agencies a great and powerful shaper of Latin American culture. (p. 36)

Due to political and economic factors discussed above, many Latin American countries adopted the U.S. broadcasting model supported by advertising (Janus, 1984). The principal motive of advertising is to sell goods and services by stimulating consumerism. However, advertising is successful to the extent that it can conveniently change people's consumption patterns. Although consumerism is generally attacked as a negative consequence of advertising, some MNCs and MAAs

may see it as a contribution to the host society (Wentz, 1984). For example, Brazilians (as most Latin Americans) do not eat breakfast. The Kellogg Co. and the J. Walter Thompson ad agency introduced the nutrition concept of the importance of eating breakfast within telenovelas, Brazil's most popular type of TV programming. The increased product demand attests to their success in this "altruistic" endeavor.

Most advertising assumes that "members of a given culture, subculture, or marketing segment behave in uniform and predictable ways" (Markin, 1974, p. 469). The problem with this assumption is quite clear. If these international products are advertised based on an assumption of cultural homogenization, speculations on cultural impacts could be immediately derived from a perspective of cultural heterogeneity. Schiller (1976) alerts to a homogenization of cultures and ideologies based on the notion that the media can create culture and a social reality. Dagnino (1973) argues that cultural homogenization is a mechanism for the maintenance of the international capitalist system. The problem with cultural homogenization is the imposition of a predetermined set of cultural patterns. Yet, when advertisements are dubbed into the language of the receiving country, sometimes they are modified to portray local values while consuming foreign products, simultaneously developing different consumption patterns. According to Beltran (1978), "the ads stimulate artificial secondary needs inducing irrational buying behaviors, play up individualistic one upmanship hedonism and ostentation, and stress values of social prestige, beauty (and glamour) and health above those

of intellectual achievement, cultural growth, spiritual enhancement and social solidarity" (p.73). Hence, whether domestic or foreign, advertising must consider language, culture and economic conditions, although the basic task is the same, namely, to sell. Therefore, both locally and abroad MAAs must use survey methods to research their audiences, so as to increase their knowledge and understanding of those they attempt to reach (Ryans & Baker, 1967).

Advertising, thus, reflects cultural values (Caudle, 1982) and promotes different images. Fejes (1980) indicates that the images diffused by transnational advertising agencies can alter the social, economic, and political development of Latin American countries. The principal reason is that commercials, and the programs they support, promote high consumption, because they thrive on the increase of audience size and sales. MAAs promote MNCs products and services in order to make profits and to persuade people that they need them. In this way, they create and diffuse a consumption ideology. This ideology reinforces a capitalistic view of the world. Since the underlying motive is economic, no real concern is expected from MAAs regarding the possible impact that these advertisements may have on the values, lifestyles, and consumption patterns of the host country.

American advertisements are said to promote individualism and consumerism. Because of their purchasing power, initial cultural penetration through advertising is usually targeted to middle and upper classes (Straubhaar, 1985). This creates a taste for Western lifestyle and values that is expected to have a trickle-down effect on the lower classes. The MNCs are increasingly perceiving the lower stratum of

Latin American societies not just as passive bystanders but as potential consumers of their products. Perhaps because of this, in Latin American countries where lower classes are a majority, multinational advertising creates the problem known as the "revolution of rising aspirations." This phenomenon is manifested in people's desire to consume and to aspire to what is advertised by the affluent portrayals, even though they lack the purchasing power to do so. Pejoratively, it has been labeled the "revolution of rising frustrations." Interestingly, elite and ruling classes "seldom are conscious of relations of domination and especially of their roles in it. It is because their roles appear as benevolent and respectable to them that the whole process can be perpetuated" (Dagnino, 1973, p. 138).

This process of cultural penetration transfers certain Western values that may not be necessarily compatible with those of the receiving country. They may reinforce class distinctions and encourage in lower classes an aspiration to a middle class lifestyle they cannot afford. Even though the lower stratum does not have the economic power to participate in the privileges of the elites, exposure to international messages instil in the less privileged a desire to become a part of this affluent commercialized society. The core of the problem is the lack of choice due to the constant bombardment of messages promoting homogenization and consumerism (Dagnino, 1973).

However, Schiller (1976) argues that this cultural penetration is not necessarily forced into countries, but that "it is undertaken with the mutual consent, even solicitation, of the indigenous

rulers....These rulers strive eagerly to push their people and their nations into the world of capitalist economy" (p. 16). As Dagnino (1973) also suggests "the effects of cultural dependence on the lives of Latin Americans are not a consequence of an 'invasion' led by a foreign 'enemy,' but a choice made by their own ruling class, in the name of national development" (p. 132). Notwithstanding, Schiller (1976) also states that "the active, initiating drives from the...United States...cannot be regarded as secondary elements in the process....It is the imagery and cultural perspectives of this ruling sector...that shape and structure consciousness throughout the system at large" (p. 17). Thus, Latin American middle classes have been expanding to the point that instead of being victims of external influences, they are accomplices of these economic interests. As a consecuence, middle and upper classes internalize Western values, ideals, attitudes and lifestyles.

By and large, from a review of the limited existing literature on effects of commercial television in Latin American countries, Beltran (1978) extracts twelve basic images frequently reported in these studies. They are individualism, elitism, racism, materialism, adventurism, conservatism, conformism, self-defeatism, providentialism, romanticism, and aggressiveness (Beltran, 1978, p. 75). Although he does not explicitly make a distinction as to which images are most likely to be promoted by American advertisements, one can speculate that to a greater or lesser degree all are intermingled in ads.

Perhaps, the most predominant images in ads would be those of individualism, elitism, and materialism. According to Beltran's (1978)

definitions, individualism is "the belief that the needs and aspirations of the individual predominate over those of the communities of which he forms part" (p. 75); elitism is "the belief that the natural social order calls for the prevalence of the few and best endowed over all others" (p. 75); materialism is "the belief that the main goals of human beings are the acquisition of wealth, accumulation of goods, the employment of services, and the achievement of general well being" (p. 75).

Based on these images and the summary literature by Beltran (1978), the consistent messages that Latin Americans receive could be well illustrated as follows:

> Life is to be enjoyed by the individual. In order to secure this the important thing is for the individual to attain a good social and economic position....(T)he aims in life should be to have money, prestige, beauty, health and fun....Beauty and health can be secured by consuming products containing magic formulas and strange ingredients of fictitious names. Fun is often found in having luxury liquor, fancy clothes, a fine cigarette, and a luscious blond by one's side. (Beltran, 1975, p. 68)

In a study on U.S. flows into Latin America, Beltran and Fox de Cardona (1979) found that most of the products advertised on TV are cosmetics, detergents, and non-essential foods which are generally produced by MNCs. Despite this and the high expenditures by these foreign agencies, as a consequence of their indigenization trend, larger Latin American countries, such as Brazil and Mexico, are

producing more of their products and advertise them accordingly, while competing with the MNCs and MAAs. Despite this indigenization trend, one must not lose track of the underlying economic goal of both domestic and multinational advertising agencies. As Beltran (1976) and Cardoso (1973) indicate, advertising and commercial programming attempt to defend the status quo endorsed by a capitalist system.

Beltran (1978) and McPhail (1981), among several authors, contend that Latin America's media reflect more of the U.S. ideology of materialistic, affluent, consumerist society instead of their own Latin American values. Along with Wells (1972), they argue that this trend is a consequence of U.S. economic interests and investments. Yet, too much blame is placed on the media, advertising, and U.S. interests. Based on media research, it is certainly true that a steady diet of U.S. ideology will be likely to have an impact on indigenous cultures and values. However, there are other mechanisms at work that may have preceded the acceptance of U.S. ideology. For instance, migration from rural to urban areas in the search for economic opportunities tied into the processes of urbanization and modernization contains an intrinsic shift in values for the purpose of adapting, surviving, and thriving in the new environment. Whether the new values adopted by those moving into urban areas are U.S. values or not remains an empirical question. Notwithstanding, thinking about MNCs, MAAs and their possible impact suggest that they could have serious effects over time, but changes in indigenous cultures and ideologies may also be independent from MNCs and MAAs activities. It could be argued, as McPhail (1981) does, that the values ascribed to may be U.S. values;

yet, these speculations are too hasty and extreme. Perhaps, it would be more accurate to view the shift as embracing capitalist values that may or may not be entirely U.S. values. According to Dagnino (1973), the capitalist international system develops an international set of values that perpetuate inequalities and marked class distinctions.

Furthermore, what are U.S. values? It seems that messages diffused by MAAs are transnational or international in the capitalist sense. MAAs are aware of language barriers and cultural differences (Ryans & Baker, 1967). In view of this diversity and the costs of preparing separate ads and promotion campaigns, the "international" advertising school of thought has emerged (Ryans & Baker, 1967). This approach has called for the use of universal advertising themes and selling strategies. MAAs, as any other advertising agencies, realize that no product or service is sold to everyone in every country due to market heterogeneity. Within this general framework, the market is segmented and the products are targeted to the specific audience who is most likely to purchase the marketed product.

The idea has been to internationalize advertising (Janus, 1981; Mattelart, 1979; Schmidt, 1973). MAAs appeal to values that people almost everywhere aspire to, e.g., a better way of life for themselves and for their families. This international approach to advertising also believes that there is a universal desire to be beautiful, and that acvertising is more effective when people are portrayed as they would like to be. They also suggest that appeals such as "'mother and child,' 'freedom from pain,' 'glow of health,'" are universal (Fatt, 1967, p. 336). Thus, the international flavor of

advertising is manifested in the "growing similarity in advertising layout and art among the countries of the world" (Fatt, 1967, p. 336).

The question becomes, then, what are the implications of international advertising on local cultures and values. Mattos (1982, 1984) would argue that many, from an emic perspective, view cultures as vulnerable and unable to withstand external influences. Apparently, what international advertising has done is to take a clever step to a higher level of appeal by minimizing differences within individuals or groups while maximizing similarities between individuals and groups, keying on parochial or local motifs that could hinder or enhance sales.

In analyzing cultural implications, one must begin by defining culture. One obviously does not see culture, but only manifestations of it, in terms of patterns or regularities. Conceptually, culture has been defined as "the integrated sum total of learned behavioral traits that are manifest and shared by members of a society" (Hoebel, 1960, p. 168) "plus the manifestation of these behavioral traits, such as institutions and artifacts" (Wadia, 1967, p. 29). Tylor (1891), who is considered the father of cultural anthropology, defined culture as "the complex whole which includes knowledge, belief, art, morals, law, customs and any other capabilities and habits acquired by man as a member of society" (p. 1).

Although different cultures have idiosyncracies, there are some characteristics that trascend national boundaries. Murdock (1945) developed the following partial list of cultural universals:

> age-grading, athletic sports, bodily adornment, calendar, cleanliness training, community organization, cooking, cooperative labor, cosmology, courtship, dancing, decorative

> art, divination, division of labor, dream interpretation, education, eschatology [i.e, the branch of theology dealing with the last things, such as death, resurrection, judgment, immortality, etc. (Webster's, 1962)], ethics, ethnobotany, etiquette, faith healing, family feasting, fire making, folklore, food taboos, funeral rites, games, gestures, gift giving, government, greetings, hair styles, hospitality, housing, hygiene, incest taboos, inheritance rules, joking, kin-groups, kinship, nomenclature, language, law, luck superstitions, magic, marriage, mealtimes, medicine, modesty concerning natural functions, mourning, music, mythology, numerals, obstetrics, penal sanctions, personal names, population policy, postnatal care, pregnancy usages, property rights, propitiation of supernatural beings, puberty customs, religious ritual, residence rules, sexual restrictions, soul concepts, status differentiation, surgery, tool making, trade, visiting, weaning, and weather control. (p. 124)

Knowledge of these cultural universals helps unmask the accusation that MAAs may be shaping or transforming indigenous cultures. That is, historians and anthropologists have discovered etic characteristics that are generalizable across cultures. One must also keep in mind that cultures are not static, but that they are in a continuous, evolutionary, and dynamic transformation, borrowing, imitating, and creating new forms in day-to-day experiences. From this perspective, MAAs are simply economically exploiting these universals. They explore which traits prevail, for example, music, and they add a local spice (accounting for cultural diversity) to enhance economic success. Schiller (1976) asserts that cultural penetration has become "more deliberate....The marketing system developed to sell...consumer goods is now applied as well selling globally ideas, tastes, preferences, and beliefs" (p. 3). This commercial exploitation may seem noxious to intellectuals, yet they are just mechanisms to survive in the economic world. Although Schiller (1976) attacks Read's (1976) economic

determinism of "mass media merchants" indicating that cultural effects permeate within the host country, it seems that Latin American countries have focused more on the economic benefits that MNCs and MAAs bring to their countries rather than on the cultural implications.

Unfortunately, while the MNCs, MAAs, and the Latin American elite groups do quite well, the "people" are still deprived and are the victims of inequality, largely due to the skewness in the distribution of national incomes. This is not surprising given that the U.S. has been accussed of coalescing with upper classes against the masses in Latin America (Wesson, 1982). Inequality and uneven development has stimulated cultural awareness as well as a renaissance of indigenous cultural forms, languages, national history and rural traditions.

MNCs and MAAs expand the international culture with the cooperation of specific groups in the host country, reinforcing the existing status quo, while perpetuating inequalities. So MNCs may probably be the most salient factor in the failure to move towards international equity. Others view MNCs and MAAs as external change agents in a host country (Grant & Wellhofer, 1979). As with any other type of social intervention, they enter with the country's government permission and cooperation. Adherence to and imitation of foreign customs does not necessarily imply the extinction of local cultures. Instead of claiming a priori that these adherences are necessarily bad, one should contemplate the fact that it could represent cosmopoliteness, an openness and appreciation for U.S. creativity, new marketing concepts and techniques, for new ways and ideas of how to do things. There is too much a priori pessimism and criticism among

scholars that may not be perceived as such by Latin American "people." Likewise, cultural impact could create resentment (Wesson, 1982), because it represents competition for local industries. Nevertheless, competition should not necessarily be negative if it translates into increases in local productions. As an additional illustration, Dagnino (1973) indicates that Latin American popular music has been replaced by the influence of American music. Although tastes have been developed for American popular music, Latin American music is very much alive. What has occurred, then, is an expansion and transformation of tastes, not a replacement.

Conclusions and Future Trends

The most striking factor in all the preceding discussion is a lack of concrete empirical evidence pointing to the effects and extent of cultural penetration in Latin America. The conclusions are obviously opposite in nature depending on whose perspective is embraced: scholars versus businesses. From a scholarly point of view, the main concern revolves around the imminent danger to the extinction of local cultures. Reiterating, this perspective is too pessimistic and extreme. Granted, these changes may not be the most "appropriate," but appropriate for whom? Historically, the U.S. has not been a country to assume paternalistic roles (Wesson,1982). As illustrated throughout this paper, that is the pattern that has been emerging among scholars. It seems to be that if one were to "protect" cultures as suggested, the implication would be to draw boundaries or protective walls from external and damaging influences. Taking a systems approach, entropy

would be likely to occur, since cultures would be deprived of external sources of information and ideas.

In taking the business or marketplace position, the argument would be that internationalization of advertising does not necessarily have to have negative effects on cultures, because MAAs are merely appealing to cultural universals. In doing so, of course, they make a profit. This perspective has had definitive feedback in terms of profits and reception of their messages as manifested in buying behaviors. Unfortunately, however, the first perspective remains, for the most part, speculative because of the elusive nature of the problem at hand. It is extremely hard to isolate any possible cultural effects given the continuous inherent transformation of cultures.

Dagnino (1973) recommends a decolonization and reconstruction process throughout society where individuals can exercise their own options. It seems that these drastic suggestions would have precarious consequences on the local economic systems. In order to attempt to reconcile both perspectives, the messages to be diffused by MAAs in support of MNCs should somehow be negotiated with locals.

Based on Mattos' (1982) study of Brazil, local enterprises and the government are increasingly becoming competitors in the advertising industry. Yet it would be naive to believe that their messages would present their people with real choices, when their profits and market survival is at stake. At this point, from a realistic standpoint, increase in local or indigenous advertising is no guarantee of cultural protection. From an utopian point of view, a reconstruction process could take place, but this would imply a transformation of the existing

political, economic, and social structures, because it would not otherwise work under the present capitalist system. To put it candidly, as Hawkins (1979) states, "(t)o accept the argument that nationalism is best understood as a natural phenomenon, or an historical coming of age meeting a universally-felt need, is to fall prey to a romantic interpretation of history" (p. 73).

Meanwhile, Latin American countries seem to have opted for the capitalist system with the twist that the moving economic forces are coming from within. As a reponse to cultural imperialism, several Latin American countries, such as Argentina, Brazil, Mexico, and Venezuela have started to nationalize capital investment. In addition, there is also a reverse MNC expansion from Latin American countries (Kumar & McLeod, 1981; Wells, 1981). The first reaction to this thought is skepticism and disbelief. Yet for the last decade, Latin American countries such as Argentina, Brazil and Mexico have developed enterprises for foreign investment. For example, Dunning (1981) indicates that the net outward investment from Brazil has increased over time. Latin American firms are now becoming international.

White (1981) discusses some of the economic advantages of Latin American multinationals, such as industrial experience; small-scale, simpler, less-expensive production techniques; adaptation to other local conditions and marketing advantages. Furthermore, White (1981) predicts that an increasing number of Latin American firms will expand overseas, although they will still be dependent on industrialized nations.

In summary, the debates and controversies over the issues of cultural penetration through MAAs remain unresolved, and it will remain as such until scholars stop speculating and begin gathering hard core evidence to support their claims.

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